

Message Text

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FM SECSTATE WASHDC

TO AMEMBASSY CANBERRA

INFO AMCONSUL BRISBANE

AMCONSUL MELBOURNE

AMCONSUL PERTH

AMCONSUL SYDNEY

AMEMBASSY PARIS

UNCLAS STATE 137935

USOECD

E.O. 11652: N/A

TAGS: ETRD, OECD

SUBJECT: ANTITRUST: FTC SEEKS INJUNCTION AGAINST
LAND COMPANY AND APPROVED PEABODY DIVESTITURE

1. FEDERAL TRADE COMMISSION (FTC) ASKED A FEDERAL COURT
TO ENJOIN THREE FIRMS FROM ENGAGING IN ALLEGED UNFAIR OR
DECEPTIVE ACTS OR PRACTICES IN CONNECTION WITH SALE OF
QUOTE WHAT THE EVIDENCE INDICATES ARE ESSENTIALLY WORTH-
LESS INTERESTS IN UNMARKETABLE LAND UNQUOTE IN WESTERN
AUSTRALIA. THE INJUNCTION IS AGAINST AUSTRALIAN LAND
TITLE, LTD., LOS ANGELES; GROWTH INTERNATIONAL REALTY,
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INC., HONOLULU; AND MORLAN INTERNATIONAL, PHILADELPHIA.
AUSTRALIAN LAND TITLE IS A WHOLLY-OWNED SUBSIDIARY OF
MORLAN; AND GROWTH INTERNATIONAL WAS AUSTRALIAN LAND
TITLE'S SALES AGENT. THE LATTER IS ALLEGED TO HAVE SOLD
UNDIVIDED INTERESTS IN APPROXIMATELY 30 PARCELS OF LAND
IN WESTERN AUSTRALIA. MORE THAN 4,000 SALES WERE MADE
UNDER INSTALLMENT CONTRACTS AND OVER 5.5 MILLION DOLLARS

REMAINS TO BE PAID ON CONTRACTS.

2. THE LAND IN AUSTRALIA WAS SOLD IN JOINT TENANCY.

THE FTC CONTENDS THAT THE COMPANY FAILED TO DISCLOSE
(1) THE LEGAL CONSEQUENCES OF OWNERSHIP OF THIS LAND
BY LARGE NUMBERS OF TENANTS IN COMMON, (2) THAT OFFERS
TO PURCHASE THE LAND WOULD NOT BE TRANSMITTED TO THE
PURCHASERS, AND (3) THE EXISTENCE OF MORTGAGES WHICH
ENCUMBERED THE LAND THE TIME IT WAS SOLD AND VARIOUS
ADVERTISING MISREPRESENTATIONS.

3. IN A SEPARATE ACTION, THE FTC UNANIMOUSLY APPROVED
AN APPLICATION BY KENNECOTT COPPER CORPORATION OF NEW
YORK CITY TO DIVEST PEABODY COAL COMPANY AND SIMULTANE-
OUSLY SELL PEABODY'S AUSTRALIAN ASSETS TO DAMPIER MINING
COMPANY, A WHOLLY-OWNED SUBSIDIARY OF THE BROKEN HILL
PROPRIETARY CO., LTD.

4. THE AUSTRALIAN EMBASSY IN WASHINGTON HAS BEEN IN
CONSULTATION WITH THE FTC ABOUT THESE ACTIONS AND PRE-
SUMABLY HAS INFORMED CANBERRA. THE FOREGOING IS ONLY
FOR THE POSTS' INFORMATION. CHRISTOPHER

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Message Attributes

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Sent Date: 14-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
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Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
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Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Format: TEL
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